



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

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June 5, 1998

CERTIFIED RETURN RECEIPT

P 074 976 648

Kenneth D. Nelson

Vice President

Meadow Valley Contractors, Incorporated

P.O. Box 60726

Phoenix, Arizona 85082

Re: Replacement Reclamation Contract, Meadow Valley Contractors, Inc. and Rancho Equipment Services, Topaz Valley Limestone Quarry, M/023/022, Juab County, Utah

Dear Mr. Nelson:

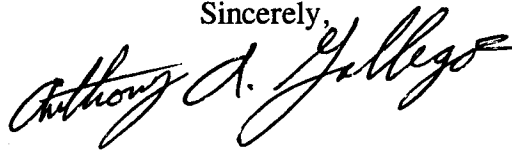
We are in receipt of the new surety bond #197594 issued by The Insurance Company of the State of Pennsylvania, which replaces the current surety bond #40013035407961 with United States Fidelity and Guaranty Company which expires on June 7, 1998. The new surety has been updated to current dollars and escalated five years into the future to the year 2003. Due to the changes in the surety company and surety amount we need a revised Reclamation Contract to reflect the new surety information. The Division's legal counsel has requested that the Reclamation Contract have both Meadow Valley Contractors and Rancho Equipment Services listed as joint operators.

Please complete the enclosed Reclamation Contract (MR-RC) by providing the current information. Please have both Meadow Valley and Rancho sign and notarize the contract. We have taken the liberty of completing a portion of this contract for you, however, please verify the information for accuracy. Please return the completed contract to us as soon as possible, preferably before June 19th, in order to complete this permitting process. When we receive the contract we will forward the documents to the Division Director for signature. After they are signed by the Director, we will return copies of the completed documents to you for your files. We will also return the old surety and contract to you at that time.

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Kenneth D. Nelson
M/023/022
June 5, 1998

If you have any questions regarding the completion of the Reclamation Contract or this letter, please contact me at (801) 538-5286, Tony Gallegos at 538-5267, or Joelle Burns at 538-5291 before mailing the new contract. Thank you for your immediate attention to this matter.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures: MR-RC
cc: Robert Thomas, Rancho Equipment Services
M023022.sur